

California Department of Food & Agriculture
Division of Fairs & Expositions
ADDITIONAL REPORTING

Preparation Guide

This guide is designed to assist fair organizations with the preparation of the Cash Analysis, Cash Budget, Accrual Revenue & Expense report, and Transfer Budget Allotment (TBA). All reports must be prepared in accordance with these instructions and use of the templates provided by the Division of Fairs & Expositions (F&E).

Deadline

All additional reports are due to F&E by the 15th of each month.

What to Submit

Fair organizations must submit the following reports:

Reports generated by the fair

- ☐ Board Meeting Minutes
- ☐ Balance Sheet
- ☐ Income Statement
- ☐ Month-end Summary Trial Balance

Templates provided by the Division of Fairs & Expositions

- ☐ Cash Analysis
- ☐ Cash Budget
- ☐ Accrual Revenue & Expense Report
- ☐ Transfer Budget Allotment (TBA) Form F-8 *

** Fair organization must submit a TBA form to F&E when the Fair anticipates that total projected operating expenditures will exceed the total approved expenditure budget for the year.*

INSTRUCTIONS FOR COMPLETION

Cash Analysis

The purpose of this report is to assess the fair's ability to meet current obligations.

Data needed to complete this report

- Trial Balance
- Bank Reconciliations
- Aged Payable Listing

- Step 1: "Cash in the Bank" is obtained from reconciled bank statements for all cash accounts. "Cash on Hand" is determined by totaling petty cash and all change funds. Verify that these amounts agree with your general ledger cash balances. Restricted reserves such as Junior Livestock Auction and Unclaimed Trust Funds are then removed from the total cash balance. This will leave only cash available for operations. Enter all information into the yellow highlighted cells.
- Step 2: Determine "Cash Required for Current Operations" by analyzing current obligations. Complete the "Accounts Payable" breakdown using the aged payable listing. "Payroll Liabilities" and "Other Liabilities" are taken from the trial balance. These include all payroll withholding liabilities (taxes, retirement contributions, union dues, medical premiums, etc) and any other accounts such as business license fees, drug fees, sales tax payable, insurance fees, etc.
- Step 3: "Other Possible Cash Requirements" include guaranteed deposits such as security, key, and damage deposits. These account balances are obtained from the trial balance.
- Step 4: Once all data has been entered, verified and reconciled, submit one copy to F&E.

Cash Budget

The purpose of this report is to monitor and assess projected cash flow through the end of the accounting period and the fair's ability to meet obligations as they become due. This report is based strictly on the cash-in, cash-out basis.

Data needed to complete this report:

- Month-end Trial Balance
- 2009 Budget of Operation

- Step 1: Select the month (tab on the bottom of the spreadsheet) for which reporting will begin. The column for entry of actual figures is highlighted in yellow.

- Step 2: To populate the monthly actual figures in this worksheet, enter the actual amount of cash receipts received and cash disbursements paid for the reporting month. In addition, ensure to include all financing disbursements and receipts. This data is pulled directly from the month-end trial balance. The actual figures will be entered into the yellow highlighted column.
- Step 3: To populate the monthly projected figures for the remainder of the year, project the amount of cash receipts you expect to receive and cash disbursements you expect to pay by the end of each month. The report will automatically carry the ending cash balance from the previous month to the beginning cash balance so no further entries are required to this line item. Continue projections per account for each month until the end of the year. Since the report is prepared using the cash basis of accounting, do not reflect revenues earned or expenses incurred that will be received or disbursed in the following year. Be realistic when projecting these amounts—the value of this report is lost if estimates are not accurately projected. Projections will be automatically carried forward to the next reporting month; however projections can be changed at any time.
- Step 4: Once all data has been entered, verified, and reconciled, submit one copy to F&E.

Accrual Revenue & Expense Report

The purpose of this report is to monitor and assess projected revenue earned and expenses incurred during the budget year, not necessarily collected or disbursed, and their impact on the fair's reserves. This report is based on the accrual basis of accounting.

Data needed to complete this report:

- Month-end Trial Balance
- Approved Operating Budget

- Step 1: Select the month (tab on the bottom of the spreadsheet) for which reporting will begin. Enter the approved 2009 Operating Budget figures into the green shaded area to the far right of the report on Budgeted 2009 column. The Projected 2009 column and variances represents a running budget comparison and requires no data entry as all fields are self-calculating. This comparison is for information purposes only but should prove helpful in determining budget adherence.
- Step 2: To populate the monthly actual figures, enter the actual amount of revenues, expenses, allocations, unrestricted resources, restricted resources, and investment in capital assets from January to the current reporting period into the yellow highlighted columns. This data is pulled directly from the month-end trial balances. Entry of financial figures must be entered in order starting from January and then continue with proceeding months (February, March, April). The beginning unrestricted net resources, restricted net resources, and investment in capital assets will only need to be entered in January. The

report will automatically carry the ending figures forward to the beginning of the following month, no further entries are required. To calculate the ending investment in capital assets take the net book value of property assets, including land, construction in progress, buildings & improvements, and equipment then subtract any long term debt. The report will automatically compute ending unrestricted net resources; no additional calculation will be required.

- Step 3: To populate the monthly projected figures for the remainder of the year, project the revenues, expenses, and allocations for the end of each month. Revenues should be reported in the projected month earned and expenses in the projected month incurred. Since the report is prepared using the cash basis of accounting, do not reflect revenues earned or expenses incurred that will be received or disbursed in the following year. Be realistic when projecting these amounts—the value of this report is lost if estimates are not accurately projected.
- Step 4: Each month, review projected amounts for any necessary revenue or expense adjustments. For example, if a scheduled interim rental cancels, you need to decrease revenues for the month in which the revenue was projected to be earned. On the other hand, if expected interim revenue exceeds budget due to an unexpected increase in rentals, you will need to increase your projections. Or, on the expense side, if a budgeted repair becomes unnecessary or impractical, you would then decrease your expenses for the month the repair was scheduled to occur. You will also need to adjust projections if an anticipated revenue or expense did not materialize in the month projected but is still anticipated to occur (for example, you have budgeted a major repair for August but the project was postponed until October, then you will need to move the associated costs from August to the month of October so expense is not lost when actuals are entered for August). Submit a copy to F&E.

Transfer of Budget Allotment (Form F-8)

The purpose of the Transfer of Budget Allotment (TBA) is to request and obtain written approval from the F&E when a fair's projected **TOTAL** operating expenditures are expected to exceed the approved budget. This approval must be obtained **before** committing to excess expenditures.

- Step 1: Once the need for a transfer of budget allotment has been established and the dollar amount identified, the source of the transfer must be determined.

If the fair can stay within its total approved expense budget via transfers between budget line items only, the submittal of TBA Form F-8 is **not** required.

However, if the Fair proposes to fund projected budget overruns via transfers between budget line items **and use of existing operating reserves or**

greater than projected total revenues, TBA Form F-8 must be submitted to F&E for approval.

Step 2: Complete the “Expense Allotment or Operation Reserves to be Reduced” portion of TBA Form F-8 by specifying the account number and title of the account(s) from which the funds will be transferred in the classification section.

Expense Allotment (transfer between budget line items) – enter the amount previously budgeted for the year, the current balance of the account, the projected amount now needed to complete the year, and the proposed amount to be transferred to the adjusted expense account (s). Follow the same procedures for expense allotments to be increased.

Operating Reserve and/or Greater Than Projected Revenues – enter the current balance of account #291, Reserves Available for Operations, and the proposed amount to be transferred. Please note that when operating reserves are reduced for purposes of augmenting an overrun in budgeted expenses, no journal entry is made to Account 291, Reserves Available for Operations. Reduced reserves will be realized at year-end closing.

Step 4: Complete the “Reason for Transfer” portion of the form. Include as much detail as needed to fully explain the reason for the request. An inadequate explanation may result in a request for more information and a delay in approval.

Where to send

Reports may be submitted in copy form by mailing them to:

Department of Food & Agriculture
Division of Fairs & Expositions
Attn: John Quiroz
1010 Hurley Way, Suite 200
Sacramento CA 95825

Reports may also be submitted electronically via email to: jquiroz@cdfa.ca.gov

Please do not fax your reports --- fax transmission causes distortion and reports become illegible.

For questions and/or comments

We are constantly updating and improving these reports and their related templates. Updates will be provided to you as they become available. F&E encourage you to call us with any input and/or suggestions you may have. Please direct any questions and/or comments regarding preparation of Additional Reporting to:

John Quiroz
Associate Accounting Analyst
(916) 263-2962
(916) 263-2969 fax
E-mail: Jquiroz@cdfa.ca.gov